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MARKET STRATEGY FOR THE HAMILTON CONVENTION CENTRE

PREPARED FOR

CITY OF HAMILTON

PREPARED BY

**PETER
BARNARD
ASSOCIATES**

NOVEMBER 1979



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REPORT HIGHLIGHTS

- HAMILTON CONVENTION CENTRE TO OPEN IN SUMMER 1981
 - 42,000 SQUARE FEET ON TWO FLOORS
 - 2,500 PERSON CAPACITY FOR CONVENTIONS; 2,200 FOR BANQUETS
 - UP TO 12 MEETING ROOMS WITH CAPACITY FOR 20 TO 500 PERSONS
 - BANQUET, EXHIBITION AND DISPLAY FACILITIES

- PRE-OPENING PREPARATIONS ARE VITAL TO CONVENTION CENTRE'S SUCCESS
 - MARKETING EFFORT MUST BEGIN IN EARNEST
 - OPERATING PLAN MUST BE IMPLEMENTED

- HAMILTON'S CENTRE WILL FUNCTION AS A MAJOR PROVINCIAL/REGIONAL FACILITY
 - 5 CANADIAN CITIES HAVE LARGER CONVENTION CENTRES
 - 2 NEARBY U.S. BORDER CITIES HAVE LARGER CONVENTION CENTRES
 - HAMILTON'S CENTRE WILL BE BIGGEST AND MOST MODERN IN SOUTHERN ONTARIO

- CONVENTION CENTRE SHOULD BE TARGETED AT THE 700-1000 DELEGATE MARKET
 - DOWNTOWN HOTELS ARE NOW SERVING THE UNDER 700 MARKET
 - HAMILTON'S 400 CONVENTION BEDROOMS CAN ONLY ACCOMMODATE UP TO 900 DELEGATES.

- OPENING OF FUTURE PRESTIGE HOTEL COULD RAISE TARGET TO 1,500 DELEGATE LEVEL
 - ADDITION OF 250-300 FIRST CLASS CONVENTION BEDROOMS
 - INCREASED QUALITY OF CONVENTION MARKETING PACKAGE

- CONVENTION CENTRE WILL REQUIRE 4-5 YEARS TO ESTABLISH ITSELF
 - MOST CONVENTIONS ARE BOOKED 3-5 YEARS IN ADVANCE
 - HAMILTON WILL BE IN HIGHLY COMPETITIVE MEDIUM SIZE MARKET
 - LACK OF NEW PRESTIGE HOTEL COULD REDUCE POTENTIAL COMPETITIVE ATTRACTIVENESS OF HAMILTON'S CENTRE

- WITHOUT FUTURE PRESTIGE HOTEL CONVENTION CENTRE COULD POTENTIALLY ACHIEVE 180 BOOKING DAYS PER YEAR BY 1986
 - BOOKINGS COULD GROW FROM 80 DAYS IN 1982
 - HOTEL BEDNIGHTS COULD GROW FROM 14,000 IN 1982 TO 49,000 IN 1986
 - DELEGATE SPENDING COULD GROW FROM \$1.3 MILLION IN 1982 TO \$5.5 MILLION IN 1986
 - REVENUES TO CONVENTION CENTRE COULD GROW FROM \$170,000 IN 1982 TO \$450,000 IN 1986

- OPENING OF PRESTIGE HOTEL COULD MAKE SIGNIFICANT ECONOMIC CONTRIBUTION TO CITY ECONOMY AND CONVENTION CENTRE
 - 20% MORE CONVENTION CENTRE BOOKING DAYS
 - 40% MORE HOTEL BEDNIGHTS
 - 45% MORE DELEGATE SPENDING (\$2.5 MILLION/YEAR)
 - 25% MORE CONVENTION CENTRE REVENUES (\$130,000/YEAR)

BY 1986

- SHORT TERM MARKETING EFFORTS SHOULD CONCENTRATE ON LAUNCHING THE CONVENTION CENTRE ON THE MARKET
 - PREPARATION OF MARKETING CAMPAIGN
 - INITIATION OF SALES ACTIVITIES
 - INTRODUCTION OF FACILITIES TO CITY AND REGION

- THREE KEYS TO LONGER TERM MARKETING OF CONVENTION CENTRE
 - DEMONSTRATE APPEAL IMAGE
 - PROMOTE FACILITIES PACKAGE
 - EXCEED CLIENT EXPECTATIONS

I. INTRODUCTION

HAMILTON'S CONVENTION CENTRE WILL SOON BE A REALITY

- TOTAL OF 42,000 SQUARE FEET ON TWO FLOORS
 - 2,500 PERSON CAPACITY FOR CONVENTIONS
- MODERN MEETING, EXHIBITION AND BANQUET FACILITIES
 - UP TO 12 MEETING ROOMS TO ACCOMMODATE 20 TO 500 PERSONS
 - EXHIBITION AND DISPLAY CAPABILITY ON BOTH FLOORS
 - COMPLETE BANQUET FACILITIES TO SERVE 2,200 PEOPLE
- EXCITING, VIBRANT DOWNTOWN LOCATION
 - PART OF SUCCESSFUL LLOYD D. JACKSON SQUARE DEVELOPMENT
 - LINKED TO HAMILTON PLACE, ART GALLERY, LIBRARY AND SHOPPING
 - PROVINCIAL GOVERNMENT OFFICE TOWER UNDER CONSTRUCTION
- SERVED BY TWO MAJOR DOWNTOWN HOTELS WITH A THIRD PROPOSED
 - HOLIDAY INN AND ROYAL CONNAUGHT ALREADY CONVENTION ORIENTED
 - NEGOTIATIONS FOR NEW PRESTIGE HOTEL UNDERWAY
- CONVENTION CENTRE SCHEDULED TO OPEN IN SUMMER 1981
 - CURRENT CONSTRUCTION ON SCHEDULE

OVER NEXT FEW MONTHS SEVERAL KEY DECISIONS MUST BE MADE

- MARKETING EFFORT MUST BEGIN IN EARNEST
 - HIRE KEY SENIOR STAFF
 - ADOPT MARKETING PLAN AND BUDGET
 - BEGIN PROMOTIONAL CAMPAIGN
- OPERATING STRATEGY MUST BE IMPLEMENTED
 - CITY MUST CHOOSE CORPORATE STRUCTURE FOR CONVENTION CENTRE
 - HIRE KEY SENIOR STAFF
 - PREPARE OPERATING POLICIES AND BUDGETS
- ADDITIONAL DOWNTOWN HOTEL ACCOMMODATIONS MUST BE ENCOURAGED
 - CURRENTLY INSUFFICIENT DOWNTOWN HOTEL ROOMS TO SUPPORT CONVENTIONS OF MORE THAN 900 DELEGATES
 - OUT OF TOWN CONVENTION DELEGATES SEEK PRESTIGE ACCOMMODATIONS
 - FIRST CLASS CHAIN HOTEL COULD CONTRIBUTE TO MARKETING EFFORT

PRE-OPENING PREPARATION IS VITAL TO SUCCESSFUL OPENING OF CONVENTION CENTRE

- BOOKINGS ARE MADE WELL IN ADVANCE
 - 6 MONTHS FOR MEETINGS, BANQUETS, AND SOME SHOWS
 - 12-24 MONTHS FOR LARGE PUBLIC EXHIBITIONS AND SHOWS
 - 3-5 YEARS FOR CONVENTIONS
- STAFF MUST BE TRAINED AND FACILITIES TESTED
 - PROCEDURES MUST BE DEVELOPED
 - EQUIPMENT AND FACILITIES MUST BE TEST-RUN
 - DEFECTS AND PROBLEMS MUST BE IDENTIFIED AND REMOVED
- EXTERNAL WORKING RELATIONSHIPS MUST BE ESTABLISHED WITH:
 - HOTELS AND RESTAURANTS
 - THEATRES AND LOUNGES
 - NEWSPAPERS, TELEVISION AND RADIO
 - BUSINESS, INDUSTRY AND LABOUR
 - SOCIAL GROUPS AND ASSOCIATIONS

POOR FIRST USER EXPERIENCE CAN DAMAGE REPUTATION

- CONVENTION CENTRE USERS WILL HAVE HIGH EXPECTATIONS
- REPEAT BUSINESS AND WORD OF MOUTH REFERRALS ARE TARGET GOALS

THE PREPARATION OF THIS MARKET STRATEGY IS MEANT TO ANSWER THE FOLLOWING
KEY ISSUES:

- WHAT ARE THE POTENTIAL TARGET MARKETS FOR THE HAMILTON CONVENTION CENTRE?
- HOW LARGE ARE THESE MARKETS?
- WHAT SHARE OF THESE MARKETS CAN HAMILTON POTENTIALLY ACHIEVE?
- WHAT PLAN OF ACTION SHOULD HAMILTON FOLLOW IN MARKETING ITS NEW
CONVENTION CENTRE?

OUR ANALYSIS OF THESE ISSUES AND OUR RECOMMENDATIONS ARE CONTAINED IN THE
FOLLOWING TWO CHAPTERS

- CHAPTER II - THE MARKET FOR THE CONVENTION CENTRE
- CHAPTER III - CONCLUSIONS ON MARKET STRATEGY

II. THE MARKET FOR THE CONVENTION CENTRE

4 TYPES OF EVENTS COULD BE PURSUED BY THE HAMILTON CONVENTION CENTRE

1. CONVENTIONS
2. MEETINGS AND BANQUETS
3. EXHIBITIONS AND SHOWS
4. SPECIAL EVENTS

OUR BASIC ASSUMPTIONS AND THE DETAILED MARKET ANALYSES FOR EACH OF THESE EVENTS FOLLOWS

WE HAVE MADE THE FOLLOWING BASIC ASSUMPTIONS:

- 1982 WILL BE THE CONVENTION CENTRE'S FIRST FULL YEAR OF OPERATION
- CONVENTION CENTRE WILL BE SUPPORTED BY 400 DOWNTOWN HOTEL ROOMS UNTIL OPENING OF PROPOSED LUXURY HOTEL
- HAMILTON'S AIRPORT WILL OPERATE AT ITS CURRENT LEVEL UNTIL THE MID-1980'S WHEN EXPANSION MAY OCCUR
- NO OTHER CONVENTION CENTRES OF SIMILAR SIZE AND QUALITY WILL OPEN IN SOUTHERN ONTARIO BEFORE THE MID-1980'S

WE HAVE ADOPTED A CONSERVATIVE APPROACH TO FORECASTING THE MARKET POTENTIAL FOR THE CONVENTION CENTRE

- WE HAVE NOT ASSUMED ANY GROWTH IN THE MARKET TO 1986¹
- WE HAVE ASSUMED THAT THE HAMILTON CONVENTION CENTRE WILL PRICE ITS FACILITIES AT OR SLIGHTLY BELOW MARKET LEVELS, PARTICULARLY IN THE EARLY YEARS OF OPERATION
- ALL FORECAST DOLLAR VOLUMES ARE EXPRESSED IN 1979 DOLLARS

¹ LAVENTHOL AND HORVATH HAVE FORECAST A POTENTIAL HAMILTON CONVENTION MARKET GROWTH RATE OF 15% PER YEAR BETWEEN 1982 AND 1986

1. CONVENTIONS

THERE ARE SOME 2,000 CONVENTIONS IN CANADA ANNUALLY

- ESTIMATED 1,000 PROFESSIONAL ASSOCIATIONS, CLUBS, FRATERNAL GROUPS
 - NOT ALL MEET ANNUALLY, SOME MEET OUTSIDE CANADA
- PLUS NUMEROUS SPECIAL MEETINGS OF LEARNED SOCIETIES, SPECIFIC INTEREST GROUPS, POLITICAL PARTIES, INTERNATIONAL SOCIETIES

THE MAJORITY OF CONVENTIONS ARE SIZED BETWEEN 500-800 DELEGATES

- 80%-85% OF ALL CONVENTIONS
- ONLY 10%-15% ATTRACT OVER 1,000 DELEGATES
- CONVENTIONS ROTATE BETWEEN CANADIAN REGIONS
 - MOST MEET IN ONTARIO AT LEAST ONCE EVERY 4 YEARS

HAMILTON'S CENTRE WILL FUNCTION AS A MAJOR PROVINCIAL/REGIONAL FACILITY

- 4 CANADIAN CITIES PLUS TORONTO HAVE LARGER CONVENTION FACILITIES

<u>CALGARY</u> - 3,000 CAPACITY - CONV. CTR.	<u>QUEBEC CITY</u> - 3,400 CAPACITY - CONV. CTR.
<u>WINNIPEG</u> - 8,000 CAPACITY - CONV. CTR.	<u>TORONTO</u> - 3,300 CAPACITY - HARBOUR CASTLE
<u>MONTREAL</u> - 10,000 CAPACITY - PLACE BONAVENTURE	- 2,800 CAPACITY - SHERATON CTR.
4,500 CAPACITY - QUEEN ELIZABETH	- 2,400 CAPACITY - ROYAL YORK, CONSTELLATION

- 2 U.S. BORDER CITIES HAVE LARGER SCALE CONVENTION CENTRES

<u>NIAGARA FALLS</u> - 12,000 CAPACITY - CONV. CTR.	<u>BUFFALO</u> - 8,900 CAPACITY - CONV. CTR.
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- HAMILTON WILL HAVE THE LARGEST AND MOST MODERN CENTRE IN SOUTHWEST ONTARIO

<u>HAMILTON</u> - 2,500 CAPACITY - CONV. CTR.	<u>WINDSOR</u> - 1,500 CAPACITY - CLEARY AUD.
<u>LONDON</u> - 1,760 CAPACITY - HOLIDAY INN	<u>WATERLOO</u> - 900 CAPACITY - MOTOR INN
<u>N-FALLS</u> - 1,500 CAPACITY - SHERATON BROCK	<u>SARNIA</u> - 700 CAPACITY - CANTERBURY

- OTHER NEARBY CITIES ARE TRYING TO DEVELOP CONVENTION CENTRES

- TORONTO
- KITCHENER
- OTHERS

CURRENTLY HAMILTON ATTRACTS 100-110 MAINLY SMALL CONVENTIONS ANNUALLY¹

- 70% ARE PROVINCIAL/REGIONAL/LOCAL
- 55,000 TOTAL DELEGATES
- AVERAGE ATTENDANCE OF 250-300 DELEGATES
- ESTIMATED ECONOMIC CONTRIBUTION OF \$3.0 MILLION²
 - ONLY SOME 50% OF DELEGATES STAY IN HAMILTON HOTELS
 - AVERAGE DAILY EXPENDITURE INCLUDING HOTEL ACCOMMODATION \$50 x 2 DAYS

THE NEW CONVENTION CENTRE WILL PROVIDE A NEEDED CATALYST

- GIVE HAMILTON PRESTIGE FACILITY OF INTERNATIONAL CLASS
- GENERATE NEW BUSINESS FOR DOWNTOWN HOTELS, RESTAURANTS AND RETAIL TRADES
- SUPPLEMENT McMASTER FACILITIES WHICH ARE NOT DOWNTOWN AND ARE NOT ALWAYS AVAILABLE
- RAISE AVERAGE DELEGATE EXPENDITURE TO NATIONAL CONVENTION LEVEL OF \$70-\$90 PER DAY
 - UP FROM CURRENT \$50

¹ REGION OF HAMILTON-WENTWORTH VISITORS AND CONVENTION BUREAU

² PETER BARNARD ASSOCIATES

HAMILTON'S CENTRE SHOULD BE TARGETED AT THE 700-1,000 DELEGATE CONVENTION MARKET

- EXISTING DOWNTOWN HOTELS HAVE SUFFICIENT BEDROOMS, BANQUET AND MEETING SPACE TO MEET NEEDS OF UNDER 700 MARKET
- HAMILTON'S 400 CONVENTION BEDROOMS SHOULD COMFORTABLY SUPPORT CONVENTIONS OF UP TO 900 DELEGATES ASSUMING:
 - 600 CONVENTION BED CAPACITY (50% DOUBLE UP)
 - 30% OF PROVINCIAL CONVENTION DELEGATES DRIVE IN DAILY
 - 10% OF DELEGATES CHOOSE TO STAY WITH FRIENDS OR IN SUBURBAN HOTELS

THE OPENING OF A PRESTIGE HOTEL COULD RAISE TARGET TO INCLUDE 1,500 CONVENTION DELEGATE MARKET

- ADDITION OF 250-300 FIRST CLASS CONVENTION BEDROOMS
- INCREASED QUALITY OF CONVENTION MARKETING PACKAGE

THE TARGET MARKETS TO BE ATTRACTED TO THE CONVENTION CENTRE OVER THE FIRST
4-5 YEARS INCLUDE:

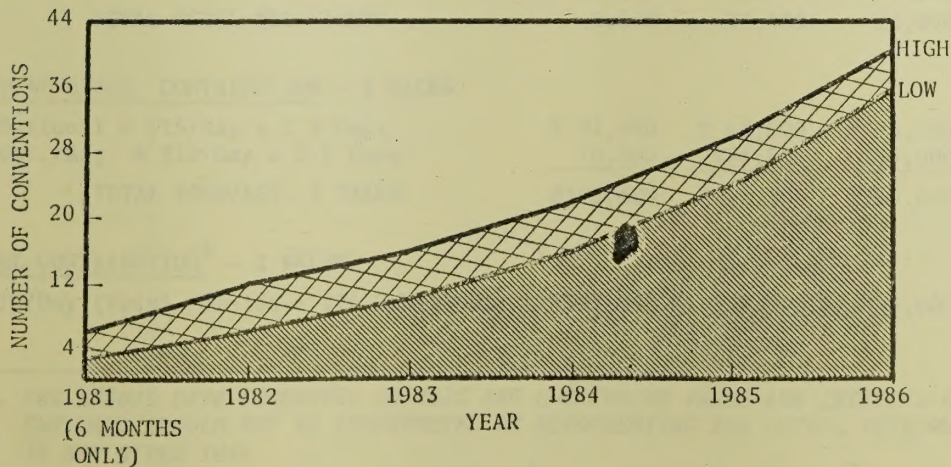
<u>TYPES OF GROUPS</u>	<u>SIZE OF CONVENTIONS</u>												
● PROVINCIAL - ONTARIO - UNIONS, GOVERNMENT OFFICIALS, SALES ORGANIZATIONS, MEDICAL AND ACADEMIC PERSONNEL, PROFESSIONAL ASSOCIATIONS, FRATERNAL SOCIETIES ● REGIONAL/LOCAL - UNIONS, INDUSTRIES, MUNICIPAL AND REGIONAL OFFICIALS, SALES ORGANIZATIONS, CHAPTERS OF PROFESSIONAL ASSOCIATIONS, FRATERNAL SOCIETIES ● NATIONAL/INTERNATIONAL (U.S.) - UNIONS, STEEL INDUSTRY, MEDICAL PROFESSIONALS, CHARITABLE GROUPS, LEARNED SOCIETIES	● WITH EXISTING HOTELS - 700-1,000 DELEGATE CONVENTIONS <table> <tr> <th><u>TYPE</u></th><th><u>SIZE OF MARKET</u></th></tr> <tr> <td>ONT./REG.</td><td>500/YR.</td></tr> <tr> <td>NATIONAL</td><td>350/YR.</td></tr> </table> ● WITH PRESTIGE HOTEL - 1,000-1,500 DELEGATE CONVENTIONS <table> <tr> <th><u>TYPE</u></th><th><u>SIZE OF MARKET</u></th></tr> <tr> <td>ONT./REG.</td><td>70/YR.</td></tr> <tr> <td>NATIONAL</td><td>50/YR.</td></tr> </table>	<u>TYPE</u>	<u>SIZE OF MARKET</u>	ONT./REG.	500/YR.	NATIONAL	350/YR.	<u>TYPE</u>	<u>SIZE OF MARKET</u>	ONT./REG.	70/YR.	NATIONAL	50/YR.
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ONT./REG.	70/YR.												
NATIONAL	50/YR.												
	<u>DURATION OF CONVENTION STAY</u>												
	● 700-1,000 DELEGATE CONVENTIONS - 2 TO 2.5 DAYS ● 1,000-1,500 DELEGATE CONVENTIONS - 3 TO 3.5 DAYS												

WITHOUT A NEW PRESTIGE HOTEL, THE CONVENTION CENTRE COULD POTENTIALLY ATTRACT ABOUT 40 ADDITIONAL CONVENTIONS TO HAMILTON BY 1986

MARKET POTENTIAL WITH EXISTING HOTELS

• TARGET 700-1,000 DELEGATE CONVENTIONS

- | | | | | |
|-------------|---------|----------------------------|-----------------------|---------------------------|
| - NATIONAL | 350/YR. | HAMILTON'S SHARE @ 1% = | 4 CONVENTIONS | (3,400 DELEGATES) |
| - ONT./REG. | 500/YR. | HAMILTON'S SHARE @ 6%-7% = | <u>33 CONVENTIONS</u> | <u>(28,000 DELEGATES)</u> |
| | | | 37 CONVENTIONS | (31,400 DELEGATES) |



ASSUMPTIONS

- CENTRE'S FIRST FULL YEAR OF OPERATION IS 1982
- CENTRE'S POTENTIAL MARKET SHARE NOT AVAILABLE BEFORE 1985
 - CONVENTIONS BOOKED 3-5 YEARS IN ADVANCE
- ADDITIONAL BOOKINGS MAY COME FROM HOTELS AND McMASTER UNIVERSITY

WITHOUT A NEW PRESTIGE HOTEL, CONVENTION CENTRE DELEGATES COULD POTENTIALLY
CONTRIBUTE \$16.0 MILLION TO THE HAMILTON ECONOMY OVER 1981-1986 PERIOD

	<u>1981</u> (6 mo.)	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
<u>CONVENTION DELEGATES</u>						
- National	850	1,700	2,550	2,550	2,550	3,400
- Ont./Reg.	2,550	5,950	8,500	13,600	20,400	28,050
<u>HOTEL CONTRIBUTION - BED NIGHTS</u>						
- National @ 90% x 2 Nights	1,500	3,100	4,600	4,600	4,600	6,100
- Ont./Reg. @ 70% x 2 Nights	3,600	8,300	11,900	19,000	28,600	39,300
TOTAL HOTEL BED NIGHTS	5,100	11,400	16,500	23,600	33,200	45,400
<u>FOOD/BEVERAGE CONTRIBUTION - \$ SALES</u>						
- National @ \$15/day x 2.5 Days	\$ 31,900	\$ 63,800	\$ 95,600	\$ 95,600	\$ 95,600	\$127,500
- Ont./Reg. @ \$12/Day x 2.5 Days	76,500	178,500	255,000	408,000	612,000	841,500
TOTAL FOOD/BEV. \$ SALES	\$108,400	\$242,300	\$350,600	\$503,600	\$707,600	\$969,000
<u>TOTAL CONTRIBUTION¹ - \$ VALUE</u>						
@ \$70/Day (Total '81-'86 = \$16.2 Million)	\$595,000	\$1,338,000	\$1,933,000	\$2,826,000	\$4,016,000	\$5,504,000

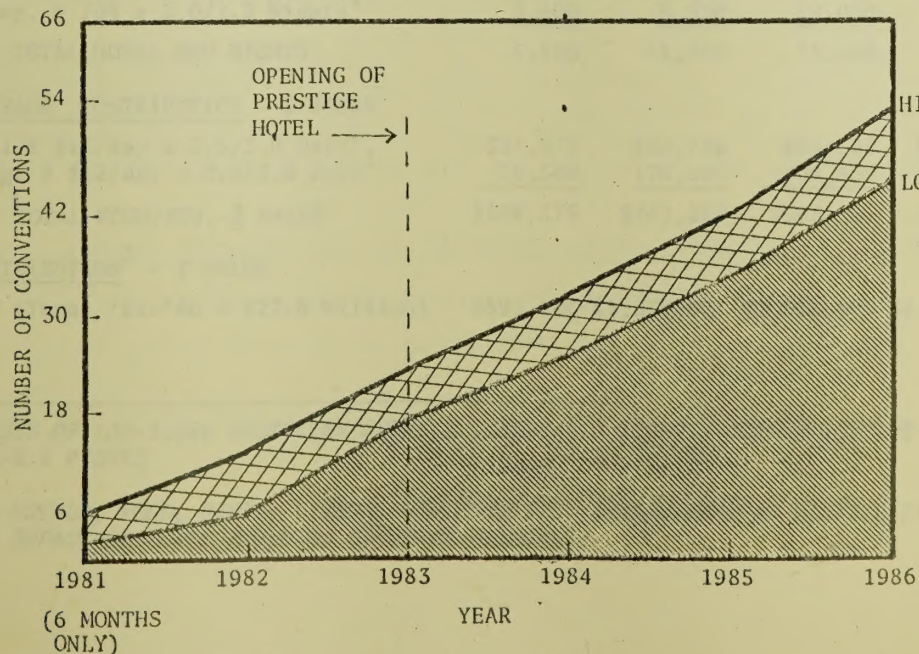
N.B. THE ANNUAL DATA PRESENTED ON THIS AND SUCCEEDING PAGES ARE INTENDED TO INDICATE POTENTIAL TARGET LEVELS.
THE DATA SHOULD NOT BE INTERPRETED AS REPRESENTING THE ACTUAL PERFORMANCE LEVEL WHICH MAY BE ACHIEVED
IN ANY GIVEN YEAR

¹ INCLUDES HOTELS, FOOD, GIFTS, LIQUOUR, RENTALS, ETC.; CALCULATED AT 2.5 DAYS PER DELEGATE; \$/DAY REFLECTS
IMPACT OF LOWER SPENDING DRIVE-IN DELEGATES

WITH A PRESTIGE HOTEL, THE CONVENTION CENTRE COULD POTENTIALLY ATTRACT ABOUT
50 ADDITIONAL CONVENTIONS ANNUALLY BY 1986

MARKET POTENTIAL WITH PRESTIGE HOTEL

- TARGET 700-1,000 DELEGATE CONVENTIONS
 - NATIONAL 350/YR. HAMILTON'S SHARE @ 2% = 7 CONVENTIONS (5,950 DELEGATES)
 - ONT./REG. 500/YR. HAMILTON'S SHARE @ 7%-8% = 37 CONVENTIONS (31,450 DELEGATES)
 - TARGET 1,001-1,500 DELEGATE CONVENTIONS
 - NATIONAL 50/YR. HAMILTON'S SHARE @ 2% = 1 CONVENTION (1,250 DELEGATES)
 - ONT./REG. 75/YR. HAMILTON'S SHARE @ 7% = 5 CONVENTIONS (6,250 DELEGATES)
- TOTAL 50 CONVENTIONS (44,900 DELEGATES)



ASSUMPTIONS

- SAME AS WITH EXISTING HOTELS
- PRESTIGE HOTEL'S FIRST FULL YEAR OF OPERATIONS 1983

WITH A PRESTIGE HOTEL, CONVENTION CENTRE DELEGATES COULD POTENTIALLY
CONTRIBUTE \$23.0 MILLION TO THE HAMILTON ECONOMY OVER 1981-86 PERIOD

	<u>1981</u> (6 mo.)	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
<u>CONVENTION DELEGATES</u>						
- National	850	1,700	2,550	3,400	4,250	7,200
- Ont./Reg.	2,550	5,950	13,600	21,200	29,650	37,700
<u>HOTEL CONTRIBUTION - BED NIGHTS</u>						
- National @ 90% x 2.0/2.5 Nights ¹	1,500	3,100	4,600	6,100	7,600	13,500
- Ont./Reg. @ 70% x 2.0/2.5 Nights ¹	<u>3,600</u>	<u>8,300</u>	<u>19,000</u>	<u>30,600</u>	<u>43,300</u>	<u>55,000</u>
TOTAL HOTEL BED NIGHTS	5,100	11,400	23,600	36,700	50,900	68,500
<u>FOOD/BEVERAGE CONTRIBUTION - \$ SALES</u>						
- National @ \$15/day x 2.5/3.0 Days ¹	\$31,875	\$63,750	\$95,625	\$127,500	\$159,375	\$279,375
- Ont./Reg. @ \$12/day x 2.5/3.0 Days ¹	<u>76,500</u>	<u>178,500</u>	<u>408,000</u>	<u>651,000</u>	<u>919,500</u>	<u>1,168,500</u>
TOTAL FOOD/BEV. \$ SALES	\$108,375	\$242,250	\$503,625	\$778,500	\$1,078,875	\$1,447,875
<u>TOTAL CONTRIBUTION² - \$ VALUE</u>						
@ \$70/Day (Total '81-'86 = \$22.8 Million)	\$595,000	\$1,338,000	\$2,825,000	\$4,392,000	\$5,500,000	\$8,120,000

¹ CONVENTIONS OF 700-1,000 DELEGATES SPEND 2.5 DAYS/2.0 NIGHTS; CONVENTIONS OF 1,001-1,500 DELEGATES SPEND 3.0 DAYS/2.5 NIGHTS

² INCLUDES HOTELS, FOOD, GIFTS, LIQUOR, RENTALS, ETC.; CALCULATED AT 2.5/3.0 DAYS PER DELEGATE; \$ PER DAY REFLECTS IMPACT OF LOWER SPENDING DRIVE-IN DELEGATES

IN SUMMARY, THE CONVENTION CENTRE WILL MAKE A SIGNIFICANT CONTRIBUTION TO
THE HAMILTON ECONOMY

● POTENTIAL WITHOUT PRESTIGE HOTEL

	<u>1981</u> ¹	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>TOTAL</u>
NUMBER OF CONVENTIONS	4	9	13	19	27	37	109
CONVENTION DELEGATES	3,400	7,650	11,050	16,150	22,950	31,450	92,650
HOTEL BED NIGHTS	5,100	11,400	16,500	23,600	33,200	45,400	135,200
FOOD/BEVERAGE SALES (\$'000)	\$108	\$242	\$350	\$503	\$708	\$969	\$2,880
TOTAL DELEGATE SPENDING (\$'000)	\$595	\$1,338	\$1,933	\$2,826	\$4,016	\$5,504	\$16,212

● POTENTIAL WITH PRESTIGE HOTEL

	<u>1981</u> ¹	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>TOTAL</u>
NUMBER OF CONVENTIONS	4	9	19	28	38	50	148
CONVENTION DELEGATES	3,400	7,650	16,150	24,600	33,900	44,900	130,600
HOTEL BED NIGHTS	5,100	11,400	23,600	36,700	50,900	68,500	196,200
FOOD/BEVERAGE SALES (\$'000)	\$108	\$242	\$504	\$779	\$1,079	\$1,448	\$4,160
TOTAL DELEGATE SPENDING (\$'000)	\$595	\$1,338	\$2,825	\$4,392	\$5,500	\$8,120	\$22,770

● IMPACT OF ADDITION OF PRESTIGE HOTEL OVER 1981-1986 PERIOD

- 41% INCREASE IN NUMBER OF DELEGATES
- \$6.5 MILLION IN ADDITIONAL SPENDING IN HAMILTON

¹ LAST 6 MONTHS OF 1981 ONLY

RENTAL REVENUES TO THE CONVENTION CENTRE COULD TOTAL \$700,000-\$950,000 BY
1986

• POTENTIAL WITHOUT PRESTIGE HOTEL

	<u>1981¹</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>TOTAL</u>
NUMBER OF CONVENTIONS	4	9	13	19	27	37	109
CONVENTION DAYS	10	22	32	47	67	92	270
BASIC RENTAL @ \$2,100/DAY (\$'000)	\$21	\$46	\$67	\$99	\$141	\$193	\$567
(\$0.05/S.F. x 42,000 S.F.)							
@ \$2,500/DAY (\$'000)	\$25	\$55	\$80	\$118	\$168	\$230	\$676
(0.06/S.F. x 42,000 S.F.)							

• POTENTIAL WITH PRESTIGE HOTEL

	<u>1981¹</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>TOTAL</u>
NUMBER OF CONVENTIONS	4	9	19	28	38	50	148
CONVENTION DAYS	10	22	47	71	97	128	375
BASIC RENTAL @ \$2,100/DAY (\$'000)	\$21	\$46	\$99	\$149	\$204	\$269	\$788
(\$0.05/S.F. x 42,000 S.F.)							
@ \$2,400/DAY (\$'000)	\$25	\$55	\$118	\$178	\$243	\$320	\$939
(\$0.06/S.F. x 42,000 S.F.)							

PLUS EXTRA FEES FOR AUDIO-VISUAL, EXHIBIT AND RECEPTION SERVICES

¹ LAST 6 MONTHS OF 1981 ONLY

2. MEETINGS AND BANQUETS

THERE ARE OVER 200 MEETINGS AND BANQUETS HELD IN HAMILTON AREA
HOTELS ANNUALLY

- MOST MEETINGS CONVENED BY LOCAL INDUSTRY, INSTITUTIONS, ASSOCIATIONS
 - AVERAGE SIZE 25-50 DELEGATES
 - VIRTUALLY ALL 1 OR 2 DAY AFFAIRS
 - LESS THAN 30% OF DELEGATES STAY OVERNIGHT

- BANQUETS ARE HELD FOR WEDDINGS, ANNIVERSARIES, SPORTING EVENTS, AWARD CELEBRATIONS, AND CAMPAIGNS
 - TEND TO RANGE IN SIZE FROM 50-250 ATTENDEES
 - SOME UP TO CURRENT HOTEL CAPACITY OF 700 PERSONS
 - ALL SCHEDULED IN AFTERNOON OR EVENING
 - LOW CONTRIBUTION TO HOTEL BOOKINGS (10%-15%) BUT ARE BEST USED TO KEEP CENTRE BOOKED DURING SLACK PERIOD

THE CONVENTION CENTRE MIGHT ACHIEVE 30 MEETINGS AND BANQUETS IN THE EARLY YEARS, INCREASING TO 50 ANNUALLY BY 1986

- OPPORTUNITY TO USE PRESTIGIOUS NEW FACILITY SHOULD INCREASE TOTAL EXISTING MARKET
 - SOME BOOKINGS MAY MOVE FROM HOTELS
- GROUPS TO BE TARGETED INCLUDE
 - UNIONS - FINANCIAL INSTITUTIONS - SALES ORGANIZATIONS
 - INDUSTRIES - BENEVOLENT ASSOCIATIONS - SPORTS LEAGUES

THE MEETING AND BANQUET MARKET IS SENSITIVE TO SERVICE AND QUALITY

- BANQUET BOOKINGS ARE INFLUENCED BY REPUTATION OF FOOD SERVICE
 - LACK OF REPUTATION COULD BE FACTOR IN EARLY YEARS
- CONVENIENT INDOOR PARKING IS ESSENTIAL
- REPEAT BUSINESS IS AN IMPORTANT FACTOR

THE CONTRIBUTION OF MEETINGS TO THE HAMILTON ECONOMY COULD AMOUNT TO
\$82,000 OVER THE 1981-1986 PERIOD

	<u>1981</u> (6 mo.)	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>TOTAL</u>
<u>MEETINGS</u>							
TOTAL MEETINGS	10	20	25	25	25	25	130
TOTAL DELEGATES @ 50/MEETING	500	1,000	1,250	1,250	1,250	1,250	6,500
<u>HOTEL CONTRIBUTION - BED NIGHTS</u>							
20% DELEGATES @ 1.0 NIGHT	100	200	250	250	250	250	1,300
\$ VALUE @ \$35/BED	\$3,500	\$7,000	\$8,750	\$8,750	\$8,750	\$8,750	\$45,500
<u>FOOD/BEVERAGE CONTRIBUTION - \$ SALES</u>							
20% DELEGATES @ \$12/DAY (ONE DAY)	\$1,200	\$2,400	\$3,000	\$3,000	\$3,000	\$3,000	\$15,600
80% DELEGATES @ \$4/DAY (ONE DAY)	\$1,600	\$3,200	\$4,000	\$4,000	\$4,000	\$4,000	\$20,800
TOTAL FOOD/BEV. \$ SALES	\$2,800	\$5,600	\$7,000	\$7,000	\$7,000	\$7,000	\$36,400
TOTAL MEETING CONTRIBUTION	\$6,300	\$12,600	\$15,750	\$15,750	\$15,750	\$15,750	\$81,900

REVENUES TO THE CONVENTION CENTRE COULD REACH \$13,000 OVER 1981-1986

	<u>1981</u> (6 mo.)	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>TOTAL</u>
<u>MEETINGS</u>							
TOTAL MEETINGS	10	20	25	25	25	25	130
BASIC RENTAL @ \$100/DAY	\$1,000	\$2,000	\$2,500	\$2,500	\$2,500	\$2,500	\$13,000

THE CONTRIBUTION OF BANQUETS TO THE HAMILTON ECONOMY COULD AMOUNT FOR \$590,000 OVER
THE 1981-1986 PERIOD

	<u>1981</u> (6 mo.)	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>TOTAL</u>
<u>BANQUETS</u>							
TOTAL BANQUETS	5	10	15	20	25	25	100
TOTAL ATTENDEES @ 500/BANQUET	2,500	5,000	7,500	10,000	12,500	12,500	50,000
<u>HOTEL CONTRIBUTION - BED NIGHTS</u>							
5% ATTENDEES @ 1.0 NIGHT	125	250	375	500	625	625	2,500
\$ VALUE @ \$35/BED	\$4,400	\$8,750	\$13,100	\$17,500	\$21,900	\$21,900	\$87,550
<u>FOOD/BEVERAGE CONTRIBUTION - \$ SALES</u>							
100% ATTENDEES @ \$10	\$25,000	\$50,000	\$75,000	\$100,000	\$125,000	\$125,000	\$500,000
TOTAL BANQUET CONTRIBUTION	\$29,400	\$58,750	\$88,100	\$117,500	\$146,900	\$146,900	\$587,550

REVENUES TO THE CONVENTION CENTRE COULD REACH \$30,000 OVER 1981-1986

	<u>1981</u> (6 mo.)	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>TOTAL</u>
<u>BANQUETS</u>							
TOTAL BANQUETS	5	10	15	20	25	25	100
BASIC RENTAL @ \$300	\$1,500	\$3,000	\$4,500	\$6,000	\$7,500	\$7,500	\$30,000

3. INDUSTRY SHOWS AND EXHIBITIONS

IN 1979 THERE WERE OVER 280 SHOWS AND EXHIBITIONS ACROSS CANADA¹

- NOT INCLUDING 80 FAIRS, EXPOSITIONS AND FARM SHOWS

150 OF THESE SHOWS AND EXHIBITIONS OCCURRED IN ONTARIO

- 80% OF ONTARIO SHOWS WERE STAGED IN TORONTO
 - 8% IN ONTARIO
 - 5% IN LONDON
 - 1% IN EACH OF HAMILTON, GUELPH AND WINDSOR

¹CANADIAN INDUSTRY SHOWS AND EXHIBITIONS, MACLEAN-HUNTER LTD., 1979

HAMILTON'S CONVENTION CENTRE SHOULD BE ABLE TO BOOK NINE PUBLIC SHOWS AND EXHIBITIONS PER YEAR

<u>JAN-FEB</u>	<u>MAR-APR</u>	<u>APR-MAY</u>
HOME SHOW 4-5 DAYS	AUTO SHOW 2-3 DAYS	BOATING/CAMPING SHOW 3-4 DAYS
FLOWER/GARDEN SHOW 3 DAYS	REC-VEH/SPEED SHOW 2-3 DAYS	
<u>SEPT-OCT</u>	<u>OCT-NOV</u>	<u>NOV-DEC</u>
DO IT YOURSELF SHOW 3-4 DAYS	SPORTSMAN/ SKI SHOW 3-4 DAYS	GIFT/CRAFT SHOW 4-5 DAYS
IND./BUSINESS SHOW 2-3 DAYS		

- 6% OF ONTARIO SHOWS

- COMPARABLE TO LONDON

- PLUS POTENTIAL TO STAGE PRIVATE INDUSTRIAL AND BUSINESS TRADE SHOWS

THE CONTRIBUTION OF SHOWS AND EXHIBITIONS TO THE HAMILTON ECONOMY COULD AMOUNT TO \$950,000
OVER THE 1981-1986 PERIOD

	<u>1981</u> (6 mo.)	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>TOTAL</u>
<u>SHOWS + EXHIBITIONS</u>							
TOTAL SHOWS AND EXHIBITIONS	2	6	8	9	9	9	43
TOTAL DAYS	6	18	23	26	26	26	125
TOTAL ATTENDANCE	24,000	72,000	96,000	108,000	108,000	108,000	516,000
<u>HOTEL CONTRIBUTION - BED NIGHTS</u>							
@ 100 BEDS/SHOW DAY	600	1,800	2,300	2,600	2,600	2,600	12,500
\$ VALUE @ \$35/BED	\$21,000	\$63,000	\$80,500	\$91,000	\$91,000	\$91,000	\$437,500
<u>FOOD/BEVERAGE CONTRIBUTION - \$ SALES</u>							
100% ATTENDEES @ \$1.00	\$24,000	\$72,000	\$96,000	\$108,000	\$108,000	\$108,000	\$516,000
TOTAL SHOWS + EXHIBITIONS CONTRIBUTION	\$45,000	\$135,000	\$176,500	\$199,000	\$199,000	\$199,000	\$953,500

REVENUES TO THE CONVENTION CENTRE COULD REACH \$365,000 OVER 1981-1986

	<u>1981</u> (6 mo.)	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>TOTAL</u>
<u>SHOWS + EXHIBITIONS</u>							
TOTAL SHOWS + EXHIBITION DAYS	6	18	23	26	26	26	125
BASIC RENTAL @ \$0.06/DAY OR \$2,500/DAY	\$15,000	\$45,000	\$57,500	\$65,000	\$65,000	\$65,000	\$312,500
INGRESS + EGRESS TIME @ 2 DAYS PER SHOW	4	12	16	18	18	18	86
@ 25% BASIC DAILY RENTAL OR \$1,250/SHOW	\$2,500	\$7,500	\$10,000	\$11,250	\$11,250	\$11,250	\$53,750
TOTAL SHOWS + EXHIBITIONS CONTRIBUTION	\$17,500	\$52,500	\$67,500	\$76,250	\$76,250	\$76,250	\$366,250

4. SPECIAL EVENTS

CONVENTION CENTRES USUALLY HOST A VARIETY OF SPECIAL EVENTS, PARTICULARLY IN THE EARLY YEARS OF OPERATION

FOR EXAMPLE:

- DANCE CONTENTS
- THEATRE PERFORMANCES
- TELETHONS
- ROCK SHOWS
- FESTIVALS
- BAZAARS

THESE EVENTS ARE LOW ON THE MARKETING PRIORITY LIST

- OFTEN DETRACT FROM DESIRED PRESTIGE IMAGE FOR CONVENTION CENTRE
- IDEALLY USED TO FILL LOW BOOKING PERIODS
- RENTAL RATES ARE OFTEN AT A SIGNIFICANT DISCOUNT

REVENUES TO THE CONVENTION CENTRE FROM SPECIAL EVENTS MAY ONLY AMOUNT TO
\$27,000 BY 1986

	<u>1981</u> (6 mo.)	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>TOTAL</u>
<u>SPECIAL EVENTS</u>							
TOTAL SPECIAL EVENTS (1 DAY EA)	4	10	10	10	10	10	54
BASIC RENTAL @ \$500/EVENT	\$2,500	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$27,000

SPECIAL EVENTS ARE UNLIKELY TO MAKE A SIGNIFICANT CONTRIBUTION TO THE HAMILTON
ECONOMY

- LOCAL, REGIONAL EVENTS
 - FEW OUT-OF-AREA ATTENDEES

IN SUMMARY

HAMILTON'S CONVENTION CENTRE WILL REQUIRE 4-5 YEARS TO ESTABLISH ITS
COMPETITIVE MARKET STRENGTH

- MOST CONVENTION BOOKINGS ARE MADE 3-5 YEARS IN ADVANCE
- HAMILTON WILL BE COMPETING AGAINST MAJOR TORONTO HOTELS ACTIVE
IN THE MEDIUM SIZE CONVENTION MARKET
- LACK OF A NEW PRESTIGE HOTEL WOULD REDUCE POTENTIAL COMPETITIVE
STRENGTH OF CONVENTION CENTRE

FOUR TYPES OF EVENTS SHOULD BE STAGED

1. CONVENTIONS
2. EXHIBITIONS AND SHOWS
3. MEETINGS AND BANQUETS
4. SPECIAL EVENTS

↓
DECREASING LEVEL
OF PRIORITY

BASED ON OUR FORECAST OF MARKET POTENTIAL, THE CONVENTION CENTRE MAY ACHIEVE
THE FOLLOWING BOOKING SCHEDULE

	<u>1981</u> (6 mo.)	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
<u>WITHOUT PRESTIGE HOTEL</u>						
CONVENTION DAYS	10	22	32	47	67	92
EXHIBIT/SHOW DAYS	6	18	23	26	26	26
BANQUET/MEETING DAYS	15	30	40	45	50	50
SPECIAL EVENTS DAYS	4	10	10	10	10	10
TOTAL DAYS BOOKED	35	80	105	128	153	178

WITH PRESTIGE HOTEL (1982/83 OPENING)

ADDITIONAL CONVENTION DAYS	N/A	N/A	15	24	30	36
TOTAL DAYS BOOKED	35	80	120	152	183	214
CONTRIBUTION OF PRESTIGE HOTEL	N/A	N/A	+14%	+19%	+20%	+20%

BALANCED BOOKING OF THE CENTRE'S FACILITIES WILL OVERCOME ANY EARLY YEARS
SEASONALITY

POTENTIAL RENTAL REVENUES TO THE CONVENTION CENTRE COULD AMOUNT TO
\$1.0 MILLION - \$1.3 MILLION BY 1986

	<u>1981</u> (6 mo.)	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
<u>WITHOUT PRESTIGE HOTEL (\$000)</u>						
CONVENTIONS (MID-RANGE \$0.055/S.F.)	\$23	\$50	\$73	\$108	\$154	\$211
EXHIBITIONS AND SHOWS	17	52	67	76	76	76
BANQUETS AND MEETINGS	2	5	7	8	10	10
SPECIAL EVENTS	2	5	5	5	5	5
TOTAL BASIC HALL RENTALS	\$44	\$112	\$152	\$197	\$245	\$302
<u>WITH PRESTIGE HOTEL (1982/83 OPENING)</u>						
CONVENTIONS (MID-RANGE \$0.055/S.F.)	\$23	\$50	\$108	\$163	\$223	\$294
TOTAL BASIC HALL RENTALS	\$44	\$112	\$187	\$252	\$314	\$385
CONTRIBUTION OF PRESTIGE HOTEL	N/A	N/A	+23%	+28%	+28%	+28%

IN ADDITION THE HAMILTON CONVENTION CENTRE WILL GENERATE:

- FOOD AND BEVERAGE REVENUES
- OTHER EXHIBIT AND EQUIPMENT RENTAL REVENUES

REVENUES FROM FOOD AND BEVERAGE SALES COULD REACH \$300,000-400,000 OVER THE 1981-1986 PERIOD

	<u>1981</u> (6 mo.)	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
<u>WITHOUT PRESTIGE HOTEL (\$000)</u>						
FROM CONVENTIONS						
@75% TOTAL FOOD/BEVERAGE	\$81	\$182	\$263	\$378	\$531	\$727
FROM MEETINGS						
@50% TOTAL FOOD/BEVERAGE	1	3	4	4	4	4
FROM BANQUETS						
@90% TOTAL FOOD/BEVERAGE	22	45	67	90	112	112
FROM SHOWS + CONVENTIONS						
@90% TOTAL FOOD/BEVERAGE	<u>22</u>	<u>65</u>	<u>86</u>	<u>97</u>	<u>97</u>	<u>97</u>
TOTAL \$ FOOD/BEV. SALES MADE IN CENTRE	\$126	\$295	\$420	\$569	\$744	\$940
CONVENTION CENTRE'S COMMISSION @ 10%	\$13	\$30	\$42	\$57	\$74	\$94

	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
<u>WITH PRESTIGE HOTEL (\$000)</u>						
FROM CONVENTIONS						
@75% TOTAL FOOD/BEVERAGE	\$81	\$182	\$378	\$584	\$809	\$1,086
TOTAL \$ FOOD/BEV. SALES MADE IN CENTRE	\$126	\$295	\$535	\$775	\$1,022	\$1,299
CONVENTION CENTRE'S COMMISSION @10%	\$13	\$30	\$54	\$78	\$102	\$130

POTENTIAL TOTAL ANNUAL REVENUES TO THE CONVENTION CENTRE COULD AMOUNT TO \$1.5 MILLION -
\$2.0 MILLION OVER THE 1981-86 PERIOD

	<u>1981</u> (6 mo.)	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
<u>WITHOUT PRESTIGE HOTEL (\$000)</u>						
BASIC HALL RENTAL REVENUES	\$44	\$112	\$152	\$197	\$245	\$302
FOOD AND BEVERAGE REVENUES	13	30	42	57	74	94
OTHER (EXHIBIT, EQUIPMENT RENTALS, ETC.)	10	28	36	44	52	62
TOTAL REVENUES (ASSUMING HALL RENTAL = 2/3 TOTAL) ¹	\$67	\$170	\$230	\$298	\$371	\$458

	<u>1981</u> (6 mo.)	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
<u>WITH PRESTIGE HOTEL (\$000)</u>						
BASIC HALL RENTAL REVENUES	\$44	\$112	\$187	\$252	\$314	\$385
FOOD AND BEVERAGE REVENUES	13	30	54	78	102	130
OTHER (EXHIBIT, EQUIPMENT RENTALS, ETC.)	10	28	41	52	60	68
TOTAL REVENUES (ASSUMING HALL RENTAL = 2/3 TOTAL) ¹	\$67	\$170	\$283	\$382	\$476	\$583

¹ 2/3 GUIDELINE DEVELOPED ON BASIS OF OUR EXAMINATION OF OTHER SIMILAR SIZED CONVENTION CENTRES

HAMILTON'S CONVENTION CENTRE COULD CONTRIBUTE SIGNIFICANTLY TO THE CITY'S COMMERCIAL ECONOMY

WITHOUT NEW PRESTIGE HOTEL					WITH NEW PRESTIGE HOTEL							
1	'82	'83	'84	'85	'86		'81	'82	'83	'84	'85	'86
						<u>BENEFIT TO HOTELS</u>						
	14	19	27	37	49	HOTEL BED NIGHTS (THOUSAND)	6	14	27	40	54	72
						<u>BENEFIT TO FOOD/BEVERAGE</u>						
	\$370	\$528	\$718	\$948	\$1,209	\$ SALES POTENTIAL (\$000)	\$160	\$370	\$682	\$994	\$1,319	\$1,688
						<u>BENEFIT TO COMMUNITY</u>						
						<u>FROM CONVENTION DELEGATES²</u>						
	\$1,338	\$1,933	\$2,826	\$4,016	\$5,504	\$70/DAY/DELEGATE (\$000)	\$595	\$1,338	\$2,825	\$4,392	\$5,500	\$8,120

152,000	TOTAL 1981-1986 HOTEL BED NIGHTS	213,000
\$3.9 MILLION	TOTAL '81-'86 BENFIT TO FOOD/BEVERAGE	\$5.2 MILLION
\$16.2 MILLION	TOTAL '81-'86 BENEFIT TO COMMUNITY	\$22.8 MILLION

T 6 MONTHS OF 1981 ONLY

LUDES HOTELS, FOOD, GIFTS, LIQUOR, RENTALS, ETC.

III. CONCLUSIONS ON MARKET STRATEGY

THE MARKET STRATEGY TO BE ADOPTED FOR THE HAMILTON CONVENTION CENTRE
SHOULD HAVE 2 PHASES

1. SHORT TERM

- RECOGNIZE DIFFICULTY OF BOOKING CONVENTIONS OVER INITIAL 2-3 YEARS
- AIM TO FILL CONVENTION CENTRE WITH REGIONAL AND LOCAL SHOWS, EXHIBITIONS, BANQUETS AND MEETINGS

2. LONG TERM

- PROMOTE HAMILTON AS A CONVENTION DESTINATION
- DEVELOP GROWING LIST OF SATISFIED USERS

A DESCRIPTION OF EACH PHASE OF THE STRATEGY FOLLOWS

1. SHORT TERM

DEVOTE PRE-OPENING AND EARLY YEARS TO LAUNCHING THE CONVENTION CENTRE
ON THE MARKET

- PREPARE MARKETING CAMPAIGN
 - DESIGN PROMOTIONAL MATERIALS
 - ASSIGN MARKETING STAFF
 - COMMENCE ADVERTISING
- INITIATE SALES ACTIVITIES
 - FOLLOW UP ENQUIRIES RECEIVED TO DATE
 - SET UP TARGETS FOR CONVENTIONS TO BE BOOKED OVER NEXT 2-5 YEARS
 - CONTACT CANDIDATE CONVENTION GROUPS WHO HAVE NOT BOOKED YET

INTRODUCE CONVENTION CENTRE FACILITIES TO HAMILTON

- STAGE GRAND OPENING
 - INVITE COMMUNITY LEADERS
 - INVITE ASSOCIATION EXECUTIVES
 - INVITE HOTEL AND RESTAURANT OPERATORS
 - ENCOURAGE WIDE MEDIA COVERAGE

- IDENTIFY CONVENTION DECISION MAKERS IN HAMILTON AREA
 - OFFER TOURS OF FACILITIES
 - OFFER SPECIAL INTRODUCTORY PACKAGE DEALS

- CONCENTRATE ON SHOWS, MEETINGS AND BANQUETS
 - ESTABLISH CONVENTION CENTRE AS HUB OF ACTIVITY
 - ENCOURAGE LOCAL PEOPLE TO USE FACILITIES
 - DEVELOP REGULAR, REPEAT BOOKINGS

2. LONG TERM

OVER THE LONGER TERM THERE ARE 3 KEYS FOR ACHIEVING MARKET POTENTIAL
OF THE CONVENTION CENTRE

- A. DEMONSTRATE APPEAL/IMAGE
- B. PROMOTE FACILITIES PACKAGE
- C. EXCEED CLIENT EXPECTATIONS

A. DEMONSTRATE APPEAL/IMAGE

PROMOTIONAL KITS AND ADVERTISING SHOULD FEATURE:

• LOCATION

- GOLDEN HORSESHOE
- INDUSTRIAL HEARTLAND
- ONTARIO FRUITLAND

• TRANSPORTATION

- FIRST CLASS HIGHWAYS
- NORDAIR SERVICE
- TRANSFERS FROM MALTON

• ENTERTAINMENT

- HAMILTON PLACE
- FOOTBALL
- CINEMAS
- RESTAURANT/LOUNGES
- DISCOS

• SITE

- REVITALIZED DOWNTOWN
- LLOYD D. JACKSON SQUARE
- UNDERGROUND PARKING

• ACCOMMODATION

- 400 DOWNTOWN HOTEL ROOMS
- ECONOMY ROOMS AT McMASTER
- NEW, PRESTIGE HOTEL PLANNED

• OTHER FACILITIES

- HAMILTON PLACE THEATRE
- ART GALLERY OF HAMILTON
- FARMERS' MARKET
- BANQUET FACILITIES

REFER ENQUIRING GROUPS TO LIST OF SATISFIED USERS

B. PROMOTE FACILITIES PACKAGE

VARIOUS PACKAGES SHOULD BE DESIGNED FOR SPECIFIC TARGET MARKETS

● PACKAGES SHOULD INCLUDE:

- CONVENTION CENTRE
- HOTEL/ACCOMMODATION
- ENTERTAINMENT AND FOOD
- TOURISM

● EMPHASIS ON BEST COMBINATION OF QUALITY, VARIETY AND PRICE

NEW PRESTIGE HOTEL (WHEN CONFIRMED) SHOULD BE A MAJOR PACKAGING ELEMENT

C. EXCEED CLIENT EXPECTATIONS

IN THE COMPETITIVE CONVENTION MARKET WHICH HAMILTON'S CENTRE WILL
ENTER THERE ARE 4 GOLDEN RULES TO FOLLOW:

1. PROVIDE EVERYTHING THAT YOU PROMISED
2. MAINTAIN SCHEDULES
3. GIVE SERVICE
4. SAY GOOD-BYE AS WARMLY AS YOU SAID HELLO

WHENEVER POSSIBLE, EXCEED CLIENT EXPECTATIONS

APPENDIX A

2. W. H. HARRISON ASSOCIATES LTD. - EVALUATION REPORT. FINANCIAL ADVISORY
SERVICES. PREPARED FOR THE HARRISON AND HARRISON TRADING AND DEVELOPMENT
CORP. TORONTO, SEPTEMBER 1975.

3. H. H. HARRISON, P. HARRISON, HARRISON ASSOCIATES LTD. FINANCIAL ADVISORY
SERVICES. PREPARED FOR THE HARRISON AND HARRISON TRADING AND DEVELOPMENT
CORP. TORONTO, SEPTEMBER 1975.

4. HARRISON ASSOCIATES LTD. - EVALUATION REPORT. FINANCIAL ADVISORY
SERVICES. PREPARED FOR THE HARRISON AND HARRISON TRADING AND DEVELOPMENT
CORP. TORONTO, SEPTEMBER 1975.

5. HARRISON ASSOCIATES LTD. - EVALUATION REPORT. FINANCIAL ADVISORY
SERVICES. PREPARED FOR THE HARRISON AND HARRISON TRADING AND DEVELOPMENT
CORP. TORONTO, SEPTEMBER 1975.

APPENDIX A

6. HARRISON ASSOCIATES LTD. - EVALUATION REPORT. FINANCIAL ADVISORY
SERVICES. PREPARED FOR THE HARRISON AND HARRISON TRADING AND DEVELOPMENT
CORP. TORONTO, SEPTEMBER 1975.

7. HARRISON ASSOCIATES LTD. - EVALUATION REPORT. FINANCIAL ADVISORY
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CORP. TORONTO, SEPTEMBER 1975.

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CORP. TORONTO, SEPTEMBER 1975.

9. HARRISON ASSOCIATES LTD. - EVALUATION REPORT. FINANCIAL ADVISORY
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CORP. TORONTO, SEPTEMBER 1975.

10. HARRISON ASSOCIATES LTD. - EVALUATION REPORT. FINANCIAL ADVISORY
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APPENDIX B

SURVEY INPUT TO MARKETING STRATEGY

A SURVEY OF COMPARABLE SIZED CONVENTION CENTRES WAS UNDERTAKEN BY THE FIRMS OF PETER BARNARD ASSOCIATES (IN CANADA) AND GLADSTONE ASSOCIATES (IN THE UNITED STATES) DURING THE SUMMER OF 1979. THE OBJECTIVE OF THE SURVEY WAS TO RESEARCH THE MANAGEMENT STRUCTURE AND OPERATING PLANS OF THE SELECTED CONVENTION CENTRES AND TO RECOMMEND HOW HAMILTON'S CONVENTION CENTRE COULD BENEFIT FROM THE EXPERIENCES OF THESE COMPARABLE CENTRES.

THE SURVEY WAS FOCUSED ON CONVENTION CENTRES OF 100,000 SQUARE FEET OR SMALLER.

IN CANADA		IN THE U. S. A.	
MONTREAL-PLACE BONAVENTURE	200,000 S.F.	BUFFALO, N.Y.-CONVENTION CENTRE	65,000 S.F.
QUEBEC CITY-CONVENTION CENTRE	25,000 S.F.	LEXINGTON, KY-CIVIC CENTRE	80,000 S.F.
WINNIPEG-CONVENTION CENTRE	78,000 S.F.	LONG BEACH, CA-CONVENTION CENTRE	90,000 S.F.
		MILWAUKEE, WIS.-CONVENTION CENTRE	132,000 S.F.
		MINNEAPOLIS, MIN.-CONVENTION CENTRE	100,000 S.F.
		NIAGARA FALLS, N.Y.-CONVENTION CENTRE	99,000 S.F.

INFORMATION WAS GATHERED ON 5 RESEARCH AREAS:

1. MARKETING

- CONVENTION BOOKINGS OVER PAST 24-36 MONTHS
- MARKETING STRATEGY
- OTHER BOOKINGS AND CONVENTION HALL FACILITY USERS

2. ORGANIZATION

- BOARD OF DIRECTORS
- ROLE OF CITY/STATE/PROVINCE/REGION/CITY
- CONVENTION CENTRE VS. VISITORS BUREAU AND CHAMBER OF COMMERCE
- IN-HOUSE VS. CONTRACTED SERVICES

3. PHYSICAL CHARACTERISTICS OF CONVENTION CENTRE

- LOCATION
- SITE
- TRANSPORTATION
- ACCOMMODATION

4. SUPPORTING INFRASTRUCTURE

- HOTEL INVENTORY
- CONVENTION CENTRE ECONOMIC MULTIPLIERS
- OTHER FACILITIES USED

THE RESULTS OF THE SURVEY WERE USED AS INPUT TO THE MARKETING STRATEGY OF THE HAMILTON CONVENTION CENTRE.

APPENDIX C

IN WASHINGTON

MR. W. J. BROWN
CHIEF OF BUREAU
BUREAU OF BUREAU

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CHIEF OF BUREAU
BUREAU OF BUREAU

MR. W. J. BROWN
CHIEF OF BUREAU
BUREAU OF BUREAU

APPENDIX C

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CHIEF OF BUREAU
BUREAU OF BUREAU

MR. W. J. BROWN
CHIEF OF BUREAU
BUREAU OF BUREAU

PERSONS INTERVIEWED

IN HAMILTON

MR. A. (BEN) BIRNIE
CONVENTION OFFICER
REGION OF HAMILTON-WENTWORTH

MR. W. COCKBURN
EXECUTIVE DIRECTOR
ONTARIO ASSOCIATION OF CONVENTION BUREAUS

MR. T. GARWOOD JONES
ARCHITECT

MS. L. McCORMICK
CONFERENCE MANAGER
McMASTER UNIVERSITY

MR. T. O'BRIAN
INNKEEPER
HAMILTON HOLIDAY INN

MR. W. PHILLIPS
CITY ENGINEER
CITY OF HAMILTON

MR. G. TITTLE
MANAGER
ROYAL CONNAUGHT HOTEL

MR. T. BURROWS
GENERAL MANAGER
HAMILTON PLACE

MR. R. ELLISON
ASSISTANT GENERAL MANAGER
HAMILTON PLACE

MS. L. KEELAN
CONFERENCE CO-ORDINATOR
McMASTER UNIVERSITY

MR. J. MORAND
COMMISSIONER OF ECONOMIC DEVELOPMENT
REGION OF HAMILTON-WENTWORTH

MR. P. PAPPOULAS
INNKEEPER
BURLINGTON HOLIDAY INN

MR. L. RUSSELL
FORMER ASST. GENERAL MANAGER
HAMILTON PLACE

IN REST OF CANADA

MR. R. ATKINSON
VICE PRESIDENT
CONVENTION & TOURIST BUREAU OF
METROPOLITAN TORONTO

MR. K. FURERNISS
GENERAL MANAGER
WINNIPEG CONVENTION CENTRE

MR. J. LEFAVE
MANAGER
TOURIST & CONVENTION BUREAU OF
WINNIPEG AND ESSEX COUNTY

MR. D. SCROGGIE
BARRISTER
FRASER & BEATTY

UNITED STATES

MR. R. FREIBERG
MILWAUKEE EXPO., CONVENTION CENTRE

MS. M. McCREARY
LEXINGTON CIVIC CENTRE

MR. A. OLSEN
MINNEAPOLIS AUD. & CONVENTION CENTRE

MR. J. CHAREST
MANAGER
QUEBEC MUNICIPAL CONVENTION CENTRE

MR. K. HERBRANSON
VICE PRESIDENT
SHERATON HOTELS LIMITED

MR. H. MACGREGOR
PRESIDENT
HUGH MACGREGOR AND ASSOCIATES

MR. J. TOLLECK
VICE PRESIDENT
CONVENTION & TOURIST BUREAU OF
METROPOLITAN TORONTO

MS. N. LINEBERGER
BUFFALO CONVENTION CENTRE

MR. S. NEAL
LONG BEACH CONVENTION CENTRE

MR. A RYAN
NIAGARA FALLS INTERNATIONAL CONVENTION
CENTRE

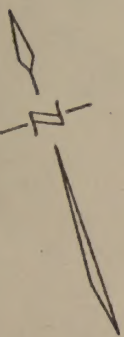
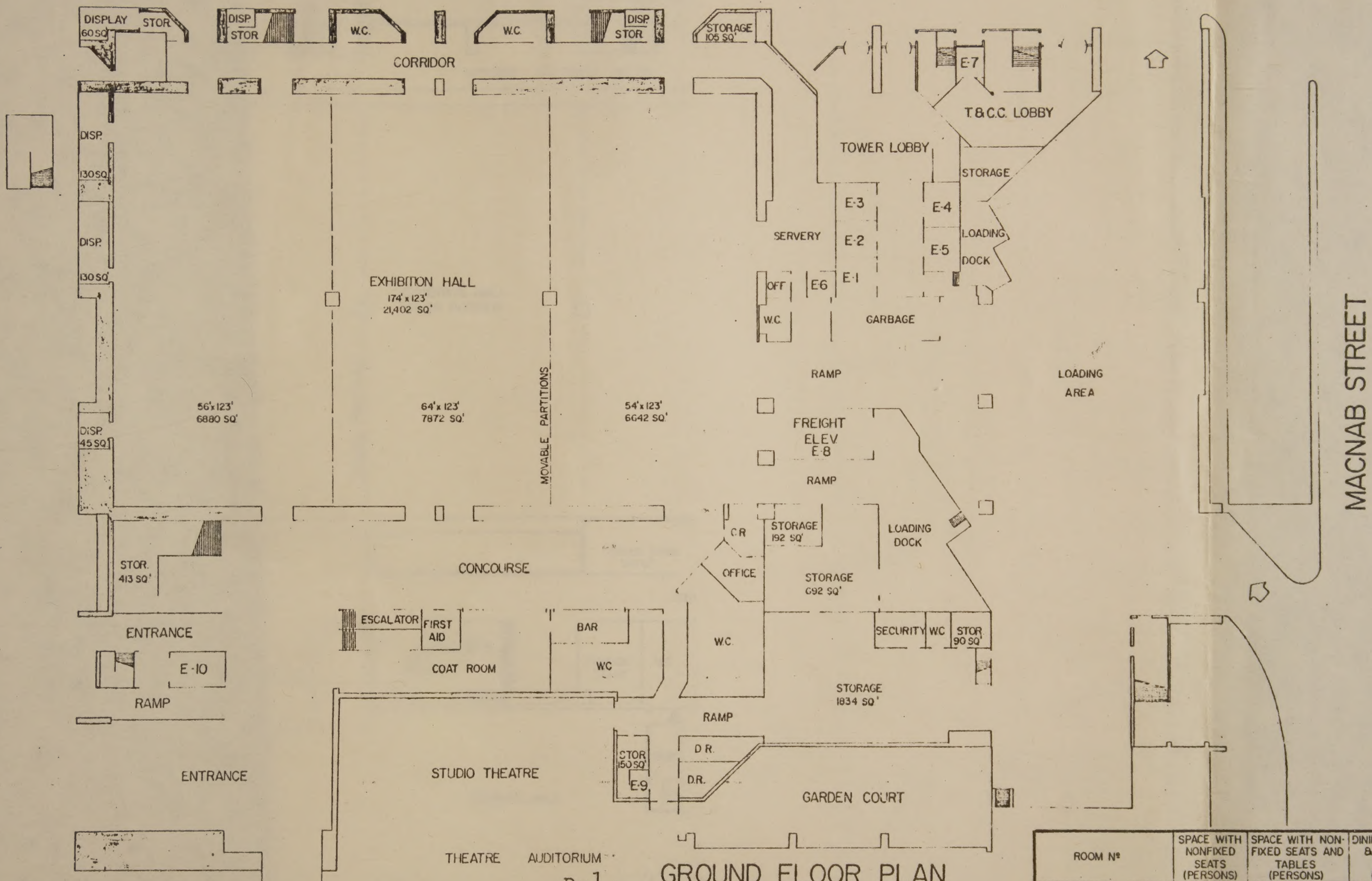
APPENDIX D



HAMILTON CONVENTION CENTRE

GROUND FLOOR PLAN

KING STREET WEST



D-1

GROUND FLOOR PLAN

ROOM N°	SPACE WITH NONFIXED SEATS (PERSONS)	SPACE WITH NON- FIXED SEATS AND TABLES (PERSONS)	DINING, BEVERAGE & CAFETERIA SPACE (PERSONS)
EXHIBITION HALL	2160	1977	1648

SECOND FLOOR PLAN

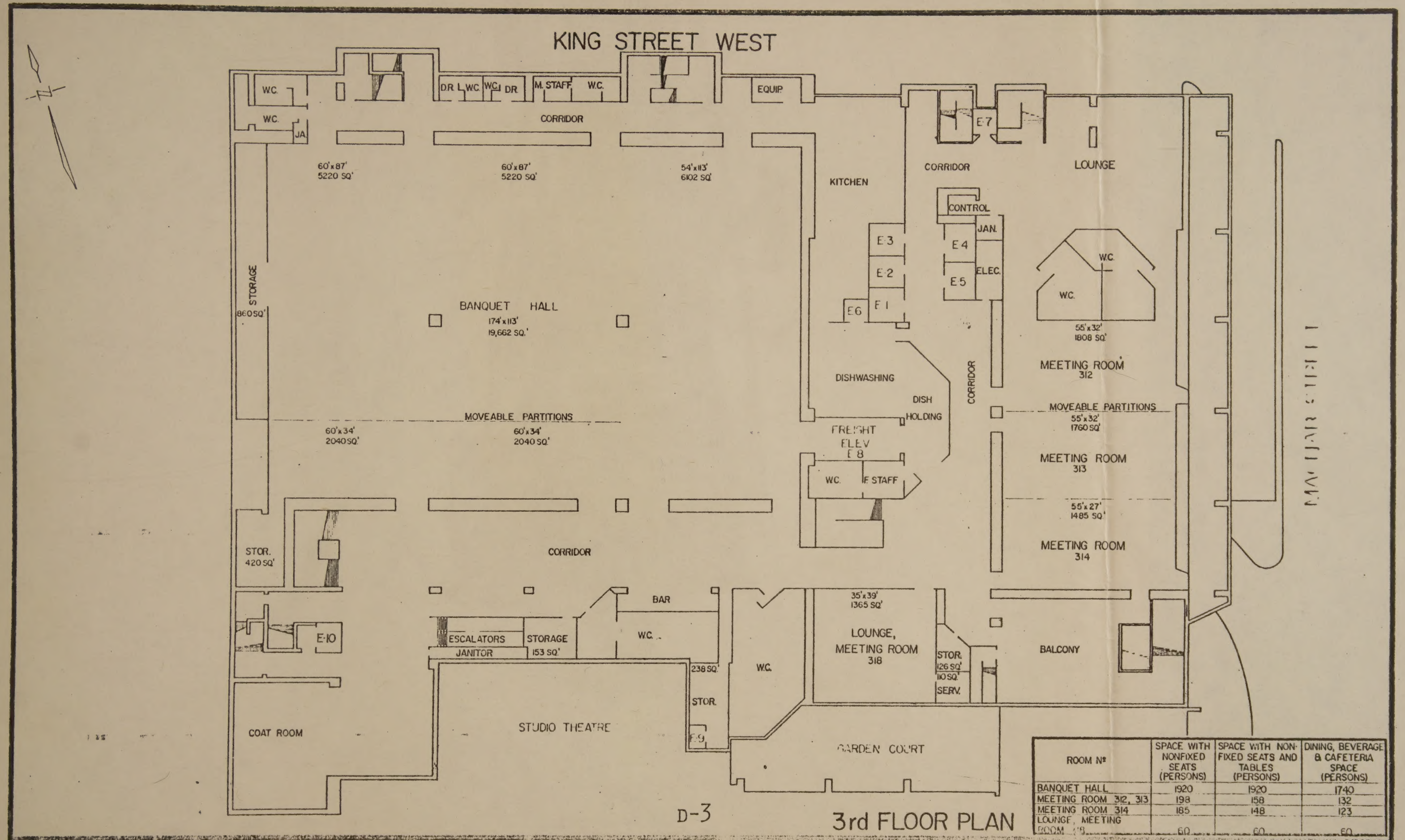


2nd FLOOR PLAN

ROOM N ^o	SPACE WITH NONFIXED SE/TS (PERSONS)	SPACE WITH NON- FIXED SEATS AND TABLES (PERSONS)	DINING, BEVERAGE & CAFETERIA SPACE (PERSONS)
SEMINAR ROOM 212, 213	60	57	47
SEMINAR ROOM 214	22	17	14
SEMINAR ROOM 215	182	146	121
SEMINAR ROOM 216	155	124	103
SEMINAR ROOM 217	150	124	100
SEMINAR ROOM 220	60	60	60
MEETING ROOM 228	60	60	60

HAMILTON CONVENTION CENTRE

THIRD FLOOR PLAN



HAMILTON PUBLIC LIBRARY



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